

Troutman Sanders LLP
222 Central Park Avenue
Suite 2000
Virginia Beach, VA 23462
Telephone: (757) 687-7500
Facsimile: (757) 687-7510
Jason E. Manning

*Ordinary Course Professional for the Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
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**SUMMARY OF
APPLICATION OF TROUTMAN SANDERS LLP
FOR AN AWARD OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL FOR
THE DEBTORS FOR THE PERIOD OF AUGUST 1, 2012 THROUGH AUGUST 31, 2012**

AND

**FIRST INTERIM APPLICATION OF TROUTMAN SANDERS LLP
FOR AN AWARD OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL FOR
THE DEBTORS FOR THE PERIOD OF MAY 14, 2012 THROUGH AUGUST 31, 2012**

Name of Applicant:	Troutman Sanders LLP (“ Applicant ”)
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession, as ordinary course professional
Date of Retention:	October 2006
Application Periods:	August 1, 2012 through August 31, 2012 (“ August Period ”) May 14, 2012 through August 31, 2012 (“ Interim Period ”)

August Period

Amount of Compensation Sought for August Period:	\$125,540.50 (a total of \$175,540.50 is sought for August 2012 but as set forth below, \$50,000 is payable upon approval of the Debtors under the OCP Order, as defined below)
Amount of Expense Reimbursement Sought for August Period:	\$3,086.97
Total Amount of Compensation and Expense Sought for August Period:	\$128,627.47 (\$178,627.47 less \$50,000 approved by the Debtors pursuant to the OCP Order as defined below)

Interim Period

Amount of Compensation Sought for Interim Period:	\$218,509.74
Amount of Expense Reimbursement Sought for Interim Period:	\$3,714.82
Total Amount of Compensation and Expense Sought for Interim Period:	\$222,224.56

This is a: **X** Monthly **X** Interim ___ Final Application

Summary of Fees and Expenses for August Period

August 2012

Date Filed	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Holdback
10/19/12	08/01/12-08/31/12	\$175,540.50	\$3,086.97	\$97,897.50	\$44.90	\$35,108.10

Summary of Fees and Expenses for Interim Period

May 14, 2012 - August 31, 2012

Date Filed	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Holdback
n/a	05/14/12-06/30/12	\$3,294.00	\$0.00	\$0.00	\$0.00	\$0.00
n/a	07/01/12-07/31/12	\$39,675.24	\$627.85	\$33,592.24	\$406.39	\$0.00
10/19/12	08/01/12-08/31/12	\$175,540.50	\$3,086.97	\$97,897.50	\$44.90	\$35,108.10
TOTAL	05/14/12-08/31/12	\$218,509.74	\$3,714.82	\$131,489.74	\$451.29	\$35,108.10

Timekeeper Summary for August Period

August 1 – 31, 2012

Name of Professional Individual	Position	Department	Year of Bar Admission	Hourly Billing Rate	Total Hours Billed	Total Compensation
Brooks, Matthew Ray	Associate	Financial Services Litigation	2008	\$275.00	15.5	\$4,262.50
Cheshire, Harrilee	Paralegal	Business Litigation	n/a	\$290.00	1.5	\$435.00
Derby, Erin Rigney	Paralegal	Financial Services Litigation	n/a	\$120.00	42.5	\$4,884.00
Flowers, Elizabeth Spain	Associate	Financial Services Litigation	2009	\$230.00	10.9	\$2,507.00
Loeffler, A. William	Partner	Financial Services Litigation	1989	\$450.00	3.4	\$1,485.00
Lynch, John C.	Partner	Financial Services Litigation	1995	\$400.00	2.6	\$960.00
Manning, Jason E.	Partner	Financial Services Litigation	2004	\$365.00	55.4	\$20,002.00
Ostroff, Ethan G.	Associate	Financial Services Litigation	2005	\$265.00	0.7	\$185.50
Pittman, Andrew B.	Associate	Financial Services Litigation	2001	\$290.00	94.7	\$26,593.00
Reyes, Alexandria J.	Associate	Financial Services Litigation	2009	\$285.00	143.5	\$40,384.50
Ruhling, Bill B.	Associate	Financial Services Litigation	2000	\$265.00	0.8	\$212.00
Russell, Karen L.	Paralegal	Financial Services Litigation	n/a	\$175.00	0.3	\$52.50
Schlesinger, Mark I.	Of Counsel	Business Litigation	1975	\$400.00	0.5	\$200.00
Windham, Mark J.	Associate	Financial Services Litigation	2008	\$275.00	267.7	\$73,377.50
Professionals Totals				Blended Rate		
Total Fees Incurred				\$274.28	640.0	\$175,540.50

Timekeeper Summary for Interim Period

May 14, 2012 – August 31, 2012

Name of Professional Individual	Position	Department	Year of Bar Admission	Hourly Billing Rate	Total Hours Billed	Total Compensation
Brooks, Matthew Ray	Associate	Financial Services Litigation	2008	\$275.00	30.2	\$8,155.08
Cheshire, Harrilee	Paralegal	Business Litigation	n/a	\$290.00	2.9	\$805.72
Derby, Erin Rigney	Paralegal	Financial Services Litigation	n/a	\$120.00	62.3	\$8,061.68
Flowers, Elizabeth Spain	Associate	Financial Services Litigation	2009	\$230.00	20.5	\$4,715.00
Jones, Maryia Y.	Associate	Financial Services Litigation	2009	\$230.00	0.7	\$193.55
Loeffler, A. William	Partner	Financial Services Litigation	1989	\$450.00	4.7	\$2,144.75
Lynch, John C.	Partner	Financial Services Litigation	1995	\$400.00	4.4	\$1,910.41
Manning, Jason E.	Partner	Financial Services Litigation	2004	\$365.00	69.5	\$28,010.52
Ostroff, Ethan G.	Associate	Financial Services Litigation	2005	\$265.00	16.8	\$4,452.00
Pittman, Andrew B.	Associate	Financial Services Litigation	2001	\$290.00	122.4	\$34,294.63
Poole, Alan G.	Summer Clerk	Financial Services Litigation	n/a	\$200.00	8.7	\$0.00
Reyes, Alexandria J.	Associate	Financial Services Litigation	2009	\$285.00	168.3	\$46,622.86
Ruhling, Bill B.	Associate	Business Litigation	2000	\$265.00	0.8	\$212.00
Russell, Karen L.	Paralegal	Financial Services Litigation	n/a	\$175.00	0.3	\$52.50
Schlesinger, Mark I.	Of Counsel	Financial Services Litigation	1975	\$400.00	2.8	\$1,120.00
Windham, Mark J.	Associate	Business Litigation	2008	\$275.00	333.9	\$77,759.04
Professionals Totals				Blended Rate		
Total Fees Incurred				\$257.31	849.2	\$218,509.74

Billing Category Summary for August Period

August 1 – 31, 2012

Task Code	Matter Description	Total Billed Hours	Total Compensation
C400	Third Party Communications	0.4	\$160.00
L110	Fact Investigation/Development	60.7	\$14,501.00
L120	Analysis/Strategy	149.4	\$42,319.00
L130	Experts/Consultants	2.8	\$770.00
L160	Settlement/Non-Binding ADR	17.8	\$5,311.00
L190	Other Case Assessment, Development & Administration	88.6	\$23,147.50
L210	Pleadings	171	\$47,632.50
L230	Court Mandated Conferences	0.2	\$57.00
L240	Dispositive Motions	11	\$3,135.00
L250	Other Written Motions/Submissions	33.3	\$9,236.50
L310	Written Discovery	14.8	\$4,185.00
L320	Document Production	0.6	\$72.00
L330	Depositions	0.5	\$142.00
L350	Discovery Motions	5.8	\$1,596.00
L390	Other Discovery	1.4	\$394.00
L410	Fact Witnesses	0.1	\$27.50
L430	Written Motions/Submission	3.4	\$969.00
L440	Other Trial Preparation/Support	3.7	\$1,017.50
L450	Trial and Hearing Attendance	3.8	\$1,040.00
L510	Appellate Motions/Submissions	32.8	\$9,371.00
L520	Appellate Briefs	35.9	\$9,876.00
P500	Negotiation/Revision/Responses	0.8	\$262.00
P600	Completion/Closing	1.2	\$319.00
Total Fees Incurred		640.0	\$175,540.50

Billing Category Summary for Interim Period

May 14, 2012 – August 31, 2012

Task Code	Matter Description	Total Billed Hours	Total Compensation
C200	Researching Law	30.0	\$1,688.52
C300	Analysis and Advice	28.3	\$1,940.23
C400	Third Party Communications	0.7	\$280.00
L110	Fact Investigation/Development	71.1	\$16,521.01
L120	Analysis/Strategy	177.2	\$50,242.95
L130	Experts/Consultants	2.8	\$770.00
L160	Settlement/Non-Binding ADR	21.5	\$6,453.02
L190	Other Case Assessment, Development & Administration	126.7	\$35,434.04
L210	Pleadings	194.1	\$52,688.43
L230	Court Mandated Conferences	0.2	\$57.00
L240	Dispositive Motions	11.9	\$3,361.37
L250	Other Written Motions/Submissions	50.0	\$13,595.04
L310	Written Discovery	16.8	\$4,678.46
L320	Document Production	0.6	\$72.00
L330	Depositions	2.9	\$801.34
L350	Discovery Motions	6.4	\$1,635.72
L390	Other Discovery	1.4	\$394.00
L410	Fact Witnesses	0.1	\$27.50
L430	Written Motions/Submission	4.6	\$1,449.00
L440	Other Trial Preparation/Support	6.9	\$1,865.50
L450	Trial and Hearing Attendance	8.3	\$2,232.50
L460	Post-Trial Motions/Submission	2.0	\$132.40
L510	Appellate Motions/Submissions	36.6	\$10,385.15
L520	Appellate Briefs	35.9	\$9,876.00
P500	Negotiation/Revision/Responses	0.8	\$262.00
P600	Completion/Closing	1.2	\$319.00
P700	Post-Completion/Post-Closing	1.4	\$765.00
R102	Replevin/Sequestration Complaint	8.8	\$582.56
Total Fees Incurred		849.2	\$218,509.74

Expense Category Summary for August Period

August 1 – 31, 2012

Expense Category	Amount
Associate Counsel Fees & Expenses	\$1,562.50
Copies - Court/Governmental Entities	\$1.35
Court Reporter/Deposition Costs	\$20.00
Filing Fees	\$250.00
Outside Courier Services	\$1,236.12
Taxi/Train/Parking	\$17.00
Total	\$3,086.97

Expense Category Summary for Interim Period

May 14, 2012 – August 31, 2012

Expense Category	Amount
Associate Counsel Fees & Expenses	\$1,562.50
Copies - Court/Governmental Entities	\$13.05
Court Reporter/Deposition Costs	\$20.00
Filing Fees	\$426.00
Outside Courier Services	\$1,307.92
Professional Services	\$6.80
Meals and Entertainment	\$129.09
Personal Car Mileage	\$216.46
Taxi/Train/Parking	\$33.00
Total	\$3,714.82

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SOUTHERN DISTRICT OF NEW YORK**

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In re:)	Case No. 12-12020 (MG)
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RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
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**APPLICATION OF TROUTMAN SANDERS LLP
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**FIRST INTERIM APPLICATION OF TROUTMAN SANDERS LLP
FOR AN AWARD OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL FOR
THE DEBTORS FOR THE PERIOD OF MAY 14, 2012 THROUGH AUGUST 31, 2012**

By this application (the “**Application**”) pursuant to Sections 327, 330 and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), Rule 2016-1 of the Local Rules of the United States Bankruptcy Court for the Southern District of New York (the “**Local Rules**”), the Order Under Bankruptcy Code Sections 105(a), 327 and 330 and Bankruptcy Rule 2014 Authorizing Employment and Payment of Professionals Utilized in Ordinary Course of Business *Nunc Pro*

Tunc to the Petition Date [Docket No. 799], dated July 17, 2012 (the “**OCP Order**”), Troutman Sanders LLP (“**Applicant**”), an ordinary course professional for the above-captioned debtors (the “**Debtors**”), hereby seeks reasonable compensation for professional legal services in the amount of \$175,540.50, for the August Period, but, because under the OCP Order, \$50,000 is payable by the Debtors upon the Debtors’ approval without Court approval, Applicant seeks approval of the \$125,540.50 of fees that exceed the OCP Order’s \$50,000 monthly cap, together with reimbursement for actual and necessary expenses incurred in the amount of \$3,086.97 for the period of August 1, 2012 through August 31, 2012. August was the only month in which Applicant’s invoices exceeded the OCP \$50,000 monthly cap.

Further, Applicant seeks approval of reasonable compensation for professional legal services in the amount of \$218,509.74 for the Interim Period, together with reimbursement for actual and necessary expenses incurred in the amount of \$3,714.82 for the period of May 14, 2012 through August 31, 2012.

In support of this Application, Applicant respectfully represents as follows:

JURISDICTION

1. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. This Application has been prepared by John C. Lynch in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on November 25, 2009 (the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330, adopted on January 30, 1996 (the

“UST Guidelines”), and the OCP Order. Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as **Exhibit 1**.

BACKGROUND

3. On May 14, 2012 (the “**Petition Date**”), each of the Debtors filed a voluntary petition with the Court for relief under Chapter 11 of the Bankruptcy Code. The Debtors are managing and operating their businesses as debtors in possession pursuant to Bankruptcy Code Sections 1107(a) and 1108. These cases are being jointly administered pursuant to Bankruptcy Rule 1015(b). No trustee has been appointed in these Chapter 11 cases.

4. On May 16, 2012, the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) appointed a nine-member official committee of unsecured creditors (the “**Creditors’ Committee**”).

5. On June 20, 2012, the Court directed that an examiner be appointed [Docket No. 454], and on July 3, 2012, the Court approved Arthur J. Gonzalez as the examiner [Docket No. 674].

6. The Debtors are a leading residential real estate finance company indirectly owned by Ally Financial Inc. (“**AFI**”), which is not a Debtor. The Debtors and their non-debtor affiliates operate the fifth largest mortgage servicing business and the tenth largest mortgage origination business in the United States. A more detailed description of the Debtors, including their business operations, their capital and debt structure, and the events leading to the filing of these bankruptcy cases, is set forth in the Whitlinger Affidavit.

7. On August 14, 2012, pursuant to paragraph 3(b) of the OCP Order, the Debtors filed the Affidavit of Disinterestedness sworn to by John C. Lynch, a partner of Applicant, on August 7, 2012 (the “**Applicant Affidavit**”), along with the accompanying Retention Questionnaire [Docket No. 1127]. Pursuant to the Applicant Affidavit, the Debtors sought to

retain Applicant as an ordinary course professional under the OCP Order to provide legal services to the Debtors, including regarding defense of claims brought by individual borrowers pertaining to consumer lending issues, *nunc pro tunc* to the Petition Date. Because no objections to the employment of Applicant as an ordinary course professional were filed, under the OCP Order, the retention of Applicant was deemed approved.

8. Pursuant to paragraph 3(c) of the OCP Order, the Debtors may pay Applicant without prior application to the Court 100% of its fees and disbursements incurred, upon submission to, and approval by, the Debtors of invoices setting forth in reasonable detail the nature of the services rendered and disbursements actually incurred up to \$50,000 per month (“**OCP Monthly Limit**”). Applicant submitted invoices for its fees and expenses in the May 14, 2012 through June 30, 2012, and the July 1-31, 2012 time periods. The monthly invoices for fees and expenses submitted during these time periods were less than the OCP Monthly Limit. The Summaries of Fees and Expenses charts for the August and Interim Periods, located above in the Application Summary summarize the total amount of fees and expenses sought during those periods, and the amounts that have been paid by the Debtors as of October 18, 2012.

9. Paragraph 3(c) of the OCP Order also provides that if an ordinary course professional’s monthly invoice exceeds the OCP Monthly Limit, then payments to such ordinary course professional for any such excess amounts shall be subject to the prior approval of the Court in accordance with sections 330 and 331 of the Bankruptcy Code as well as the applicable provisions of the Bankruptcy Rules and the Local Rules.

RELIEF REQUESTED

10. Applicant’s invoices submitted during the August 1-31, 2012 period totaled \$175,540.50, exceeding the \$50,000 OCP Monthly Limit by \$125,540.50. Accordingly, Applicant submits this Application in accordance with the OCP Order. All services for which

Applicant requests compensation were performed for, or on behalf of, the Debtors. Applicant seeks reimbursement of all amounts exceeding the \$50,000 OCP Monthly Limit.

11. This Application is the first application filed by Applicant in these chapter 11 cases. In connection with the professional services rendered, by this Application Applicant seeks approval for interim compensation in the amount of \$218,509.74 and reimbursement of expenses in the amount of \$3,714.82 for a total of \$222,224.56. Per the OCP Order, Applicant has submitted its invoices to the Debtors for payment of \$50,000.

12. The invoices that comprise the August Period are attached hereto as **Exhibit 2**. The invoices contain detailed statements of hours spent rendering legal services to the Debtors in support of Applicant's request of compensation for fees incurred during the August Period. The monthly fee invoices contained in Exhibit 2 (i) identify the professionals who rendered services, (ii) describe each service such professional or paraprofessional performed; and (iii) set forth the number of hours in increments of one-tenth of an hour spent by each individual providing the services. Applicant maintains computerized records of the time spent by all of Applicant's professionals in connection with its representation of the Debtors. The rates described in the invoices contained in Exhibit 2 are Applicant's customary hourly rates for services of this type.

SERVICES RENDERED BY APPLICANT

13. During the Interim Period, Applicant performed work defending the Debtors in litigation in various jurisdictions including Virginia, West Virginia and Georgia. In general, Applicant defended Debtor against claims brought by individual borrowers pertaining to consumer lending issues, including, but not limited to, allegations of wrongful foreclosure, irregularities in the foreclosure process, violation of applicable statutes related to foreclosure requirements, breach of alleged oral modification, breach of promises to forbear from foreclosing, quiet title, partition actions, unfair business practices claims, state statutory

consumer protection violations, loan origination claims, loan servicing claims, and other claims related to mortgage lending and servicing.

14. A summary of the work performed is set forth below:

(a) Researching Law – Task Code C200

Fees: \$1,688.52; Total Hours: 30.0

(b) Analysis and Advice – Task Code C300

Fees: \$1,940.23; Total Hours: 28.3

(c) Third Party Communication – Task Code C400

Fees: \$280.00; Total Hours: 0.7

(d) Fact Investigation/Development – Task Code L110

Fees: \$16,521.01; Total Hours: 71.1

(e) Analysis/Strategy – Task Code L210

Fees: \$50,242.95; Total Hours: 177.2

(f) Experts/Consultants – Task Code L130

Fees: \$770.00; Total Hours: 2.8

(g) Settlement/Non-Binding ADR – Task Code L160

Fees: \$6,453.02; Total Hours: 21.5

(h) Other Case Assessment, Development & Administration – Task Code L190

Fees: \$35,434.04; Total Hours: 126.7

(i) Pleadings – Task Code L210

Fees: \$52,688.43; Total Hours: 194.1

(j) Court Mandated Conferences – Task Code L230

Fees: \$57.00; Total Hours: 0.2

(k) Dispositive Motions – Task Code L240

Fees: \$3,361.37; Total Hours: 11.9

(l) Other Written Motions/Submissions – Task Code L250

Fees: \$13,595.04; Total Hours: 50.0

(m) Written Discovery – Task Code L310

Fees: \$4,678.46; Total Hours: 16.8

(n) Document Production – Task Code L320

Fees: \$72.00; Total Hours: 0.6

(o) Depositions – Task Code L330

Fees: \$801.34; Total Hours: 2.9

(p) Discovery Motions – Task Code L350

Fees: \$1,635.72; Total Hours: 6.4

(q) Other Discovery – Task Code L390

Fees: \$394.00; Total Hours: 1.4

(r) Fact Witnesses – Task Code L410

Fees: \$27.50; Total Hours: 0.1

(s) Written Motions/Submission – Task Code L430

Fees: \$1,449.00; Total Hours: 4.6

(t) Other Trial Preparation/Support – Task Code L440

Fees: \$1,865.50; Total Hours: 6.9

(u) Trial and Hearing Attendance – Task Code L450

Fees: \$2,232.50; Total Hours: 8.3

(v) Post-Trial Motions/Submission – Task Code L460

Fees: \$132.40; Total Hours: 2.0

(w) Appellate Motions/Submissions – Task Code L510

Fees: \$10,385.15; Total Hours: 36.6

(x) Appellate Briefs – Task Code L520

Fees: \$9,876.00; Total Hours: 35.9

(y) Negotiation/Revisions/Responses – Task Code P500

Fees: \$262.00; Total Hours: 0.8

(z) Completion/Closing – Task Code P600

Fees: \$319.00; Total Hours: 1.2

(aa) Post-Completion/Post-Closing – Task Code P700

Fees: \$765.00; Total Hours: 1.4

(bb) Replevin/Sequestration Complaint – Task Code R102

Fees: \$582.56; Total Hours: 8.8

15. The foregoing descriptions of services rendered by Applicant in specific areas are not intended to be exhaustive of the scope of Applicant's activities in the various litigation matters in which Applicant has performed services on behalf of one or more of the Debtor entities.

16. The Summary to this Application provides information regarding Applicant's billing attorneys and law clerks and a summary of the hours and services rendered by each attorney and law clerk and the hourly rates of each individual during the Interim and August Periods.

17. The rates charged by Applicant for services rendered by attorneys and law clerks in this case are the same as rates charged by Applicant's attorneys and law clerks on similar

matters, without considering the size and degree of responsibility, difficulty, complexity, and results achieved. Accordingly, and based on such rates, the value of Applicant's professional services for the Interim Period totals \$218,509.74, representing a total of 849.2 hours expended by Applicant's attorneys. For the August Period, the value of Applicant's professional services totals \$175,540.50, representing a total of 640 hours.

18. In accordance with the factors enumerated in Section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of these cases; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value of such services; and (v) the costs of comparable services other than in a case under the Bankruptcy Code. *See e.g., In re Borders Group, Inc.*, 456 B.R. 195, 211 (Bankr. S.D.N.Y. 2011); *In re Mesa Air Group, Inc.*, 449 B.R. 441, 444 (Bankr. S.D.N.Y. 2011); *In re Moss*, 320 B.R. 143, 156-57 (Bankr. E.D. Mich. 2005); *In re Ray*, 314 B.R. 643, 662-63 (Bankr. M.D. Tenn. 2004).

AMOUNTS REQUESTED

19. Applicant seeks 100% of its compensation for the August Period in the amount of \$125,540.50, representing the excess amounts over the OCP Monthly Limit, in connection with the professional services detailed in Exhibit 2.

20. By this Application, Applicant also seeks expense reimbursement of \$3,086.97 for the August Period. Detailed descriptions of disbursements made by Applicant, in support of Applicant's request for expense reimbursement for the August Period, are contained in the Summary of this Application and in the invoices attached hereto as Exhibit 2.

21. It is Applicant's policy to charge its clients in all areas of practice the amounts incurred by Applicant for identifiable, non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client.

CONCLUSION

22. Applicant believes that the services rendered on behalf of Debtor were reasonable and necessary within the meaning of Bankruptcy Code Section 330. Further, the expenses requested were actual and necessary to the performance of Applicant's services.

23. By this Application, Applicant requests allowance and payment of fees and expenses for the August Period in the total amount of \$128,627.47, representing the difference between the OCP Monthly Limit, which does not require Court approval in order to be paid, and total fees of \$175,540.50, plus \$3,086.97 for actual and necessary costs and expenses.

24. Further, Applicant requests approval of its fees and expenses for the Interim Period in the total amount of \$222,224.56, representing total fees of \$218,509.74, plus \$3,714.82 for actual and necessary costs and expenses.

25. Applicant requests the Court to direct payment of all compensation held back in connection with monthly fee applications, and to award Applicant such other and further relief as may be just and proper.

WHEREFORE, Applicant respectfully requests the entry of an order (a) allowing an administrative expense claim for Applicant's compensation and reimbursement for its fees and expenses incurred during the August and Interim Periods, (b) authorizing and directing payment of such amounts and (c) granting such other and further relief as is just and proper.

Dated: October 19, 2012

TROUTMAN SANDERS LLP

By: /s/ Jason E. Manning
Jason E. Manning (NY Bar #4207288)
TROUTMAN SANDERS LLP
222 Central Park Avenue
Suite 2000
Virginia Beach, VA 23462
Telephone: (757) 687-7500

Facsimile: (757) 687-7510

Email: jason.manning@troutmansanders.com

**Ordinary Course Professional For The Debtors
and Debtors in Possession**

Exhibit 1

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RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
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Debtors.)	Jointly Administered
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**CERTIFICATION OF TROUTMAN SANDERS LLP IN SUPPORT OF
APPLICATION OF TROUTMAN SANDERS LLP
FOR AN AWARD OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL FOR
THE DEBTORS FOR THE PERIOD OF AUGUST 1, 2012 THROUGH AUGUST 31, 2012**

AND

**FIRST INTERIM APPLICATION OF TROUTMAN SANDERS LLP
FOR AN AWARD OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL FOR
THE DEBTORS FOR THE PERIOD OF MAY 14, 2012 THROUGH AUGUST 31, 2012**

I, Jason E. Manning, hereby certify that:

1. I am a member of the applicant firm, Troutman Sanders LLP (“**Applicant**”), with responsibility for compliance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on April

19, 1995 (the “**Local Guidelines**”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (the “**UST Guidelines**”) and the Order Under Bankruptcy Code Sections 105(a), 327 and 330 and Bankruptcy Rule 2014 Authorizing Employment and Payment of Professionals Utilized in Ordinary Course of Business *Nunc Pro Tunc* to the Petition Date [Docket No. 799], dated July 17, 2012 (the “**OCP Order**”), and collectively with the Local Guidelines and UST Guidelines, the “**Guidelines**”) in the jointly administered chapter 11 cases of Residential Capital, LLC, *et al.* (collectively, the “**Debtors**”), pursuant to Sections 327, 330 and 331 of the Bankruptcy Code, Fed. R. Bank P. 2016, and Local Bankruptcy Rule 2016-1.

2. This certification is made in respect of Applicant’s application, dated October 19, 2012 (the “**Application**”), for compensation and reimbursement of expenses for the period of August 1-31, 2012, and for interim compensation and reimbursement of expenses for the period commencing May 14, 2012 through and including August 31, 2012.

3. I certify that:

- a. I have read the Application;
- b. to the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Guidelines;
- c. the fees and disbursements sought are billed at rates in accordance with those customarily charged by Applicant and generally accepted by Applicant’s clients; and

d. in providing a reimbursable service, Applicant does not make a profit on that service, whether the service is performed by Applicant in-house or through a third party.

4. I certify that the Debtors, the Creditors Committee and the United States Trustee for the Southern District of New York are each being provided with a copy of the Application, along with the parties entitled to receive the Application.

Dated: October 19, 2012

TROUTMAN SANDERS LLP

By: /s/ Jason E. Manning
Jason E. Manning (NY Bar #4207288)
TROUTMAN SANDERS LLP
222 Central Park Avenue
Suite 2000
Virginia Beach, VA 23462
Telephone: (757) 687-7500
Facsimile: (757) 687-7510
Email: jason.manning@troutmansanders.com

**Ordinary Course Professional For The Debtors
and Debtors in Possession**